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State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

August 31, 2011

CERTIFIED RETURN RECEIPT

7004 1160 0003 0191 9318

Garry Bolinder
Bolinder Resources LLC
125 East Moor Drive
Grantsville, Utah 84029

Subject: Evaluation of Reclamation Surety, Bolinder Resources LLC, Stansbury Island Mine; M/045/0046, Tooele County, Utah

Dear Mr. Bolinder:

The Division of Oil, Gas and Mining's last reclamation cost estimate for the Stansbury Island mine was completed in January 2006 and escalated to 2011 dollars, so the reclamation surety amount is now due for review and adjustment. The Division may adjust the amount of reclamation surety as the result of a periodic review taking into account inflation/deflation based on an acceptable cost index (R647-4-113.6).

The Division has developed spreadsheets to assist both the Division and mine operators to calculate the reclamation surety amount using standard unit costs. These are available on the Division's web site at http://linux1.ogm.utah.gov/WebStuff/wwwroot/minerals/bonding_worksheets.html. Please complete these forms and return a copy to the Division for review. Once the forms have been reviewed, the Division will ask that you adjust the amount of surety to reflect the current reclamation cost estimate. **Please submit the reclamation cost estimate as an amendment to the Notice of Intention to Commence Large Mining Operations (LMO) by October 30, 2011 so the information is incorporated into the approved plan.**

If you have questions about the spreadsheet or calculations, please contact Wayne Western at 801-538-5263 or by e mail at waynewestern@utah.gov.

The Division also requests that you review the current Notice of Intention to Conduct Large Mining Operations (NOI) to ensure it is adequate and reflects the current operation conditions. Any necessary changes should be addressed by submitting an amendment.



Page 2 of 2
Garry Bolinder
M/045/0046
August 31, 2011

Thank you for your cooperation. Please call me at 801-538-5261 or e mail me at if you have questions about this letter.

Sincerely,

A handwritten signature in black ink, appearing to read "P. B. Baker".

Paul B. Baker
Mining Program Manager

PBB:lah:pb

cc: BLM - Larry_Garahana@BLM.gov

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